



PROGRAM UPDATE

Office of Worker and Community Transition United States Department of Energy July - September 2002

FISCAL YEAR 2001 ANNUAL REPORT PUBLISHED

Section 3161(e)(2) of the National Defense Authorization Act for fiscal year 1993 directs the Secretary of Energy to provide annual updates of approved work force restructuring plans that evaluate the implementation of the plan during the year preceding the report.

The Department of Energy's (DOE) *Annual Report on Contractor Work Force Restructuring at the U.S. Department of Energy, Fiscal Year 2001*, reviews the implementation of work force restructuring plans during fiscal year 2001. A total of 2,288 contractor employees was separated from DOE as a result of reduction-in-force actions. An additional 4,862 separations occurred through attrition.

Of the reduction-in-force separations, 62 percent were voluntary. In achieving these results, 598 workers accepted early retirement offers and 821 employees accepted non-retirement voluntary separations. There were 869 contractor employees involuntarily separated. The cost of implementing these plans was \$60.4 million.

The annual report was published in August 2002, and is available on-line at www.wct.doe.gov under Program Documentation | Program Reports and Presentations.

THE DEPARTMENT OF ENERGY CITES HANFORD CONTRACTORS FOR PRICE-ANDERSON SAFETY VIOLATIONS

On August 22, 2001, the Department of Energy (DOE) announced that it had issued a Preliminary Notice of Violation and proposed civil penalty of \$137,500 to Fluor Hanford, Inc., a contractor at the DOE Hanford Site in Richland, Washington, for violations of nuclear safety rules and procedures during waste characterization activities at the Hanford Site.

The violations did not result in actual harm to workers or the public. DOE took this action because, if not corrected, the violations could have led to improper burial of transuranic waste at the Hanford Site. Transuranic waste, the discarded byproducts of nuclear weapons production, is required to be buried at the Waste Isolation Pilot Plant in Carlsbad, New Mexico.



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Fluor Hanford provided technical support for the waste characterization activities under an agreement with Bechtel Hanford, Inc., the prime contractor for the activity that is responsible for quality performance of all work under the contract. A less severe violation with no associated civil penalty was also issued to Bechtel Hanford. Both contractors have taken corrective actions to address the violations.

The Price-Anderson Amendments Act of 1988 authorizes DOE to undertake regulatory enforcement actions against contractors for violations of its nuclear safety requirements. The enforcement program is designed to have contractors correct procedural violations to prevent more serious events from occurring.

Additional details on this and other enforcement actions are available on the Internet at www.eh.doe.gov/enforce.

WORK FORCE RESTRUCTURING ACTIVITIES

Jobs Opportunity Bulletin Board System is Back

The Jobs Opportunity Bulletin Board System (JOBBS) website address has changed to www.jobbs.doe.gov, but JOBBS is still dedicated to assist Department of Energy (DOE) contractors and subcontractors who may be at risk of losing their jobs. JOBBS allows contractor and subcontractor employees to search for new positions that are available through DOE contractor and subcontractor employers. A user ID and password are not required to search for want ads. However, DOE contractor and subcontractor human resource representatives that have received authorization from their organization and can confirm that they are DOE contractors, are required to register in order to obtain a JOBBS user ID and password to post want ads.

In addition to having the capability to post and search want ads, JOBBS provides access to DOE field, operations, and facility offices as well as other employment websites to assist in searching for employment opportunities.

JOBBS no longer tracks preference-in-hiring. It is the obligation of all contractors and subcontractors to verify the status of all individuals who stated that they are eligible for preference-in-hiring. Also, it is the obligation of all contractors to track and monitor all preference-in-hiring activity at their site. This hiring preference is mandated by section 3161 of the National Defense Authorization Act for fiscal year 1993. The Oak Ridge contractor human resource website, www.oakridge.doe.gov/ipg/wfr.htm, provides extensive information on the preference-in-hiring policy which will assist contractors in enhancing, or developing, their current tracking system.



Approval of Continued Work Force Restructuring at Rocky Flats

On August 19, 2002, Michael W. Owen, Director of the Office of Worker and Community Transition (the Office), approved the Rocky Flats Field Office (RFFO) request to continue downsizing actions that will take RFFO to closure. This approach allows the site flexibility in conducting required restructuring activities without having to go through a review and approval process at each round. Downsizing activities at RFFO are such that small groups of employees are designated for involuntary separation throughout each fiscal year as projects are completed and skills are no longer needed. Since RFFO has demonstrated the effectiveness of a similar work force restructuring program in the past, with no pending or current litigation, this approach could serve as a model for other sites.

Awarding of Outplacement Services Contract

On August 16, 2002, following an extensive review of several bids to provide outplacement services to the Department of Energy's contractor employees, the Office of Worker and Community Transition (the Office) retained the services of QuickHire/Manchester. The previous outplacement services contract the Office had with Star Mountain ended on December 31, 2001. QuickHire has been providing human capital management services and solutions to Federal Government clients for over 4 years. Manchester was founded more than 15 years ago to provide consulting services in the leadership and management of human resources.

On September 24, 2002, the Office conducted a video conference that included field industrial relations personnel and QuickHire/Manchester. Many of those who participated thought the video conference provided a great opportunity for field personnel to understand the services that will be provided. They also welcomed the opportunity to provide input to QuickHire/Manchester on upcoming contractor work force restructuring activity at their respective site.

COMMUNITY TRANSITION ACTIVITIES

Department of Energy Awards \$300,000 to Nevada Test Site Development Corporation

On July 17, 2002, the Department of Energy (DOE) announced that it has awarded \$300,000 to the Nevada Test Site Development Corporation (NTSDC). This block grant will enable NTSDC to continue to provide administrative support for rural economic development, renewable energy, aerospace activities, asset management, and business incubation.

The goal of the NTSDC is to diversify the local economy and build new jobs in science and technology-based industries through the development of sustainable private commercial activities which maximize the use of DOE resources, expand non-government opportunities, and add long-term value to the regional economy.



DOE's Office of Worker and Community Transition (the Office) and NTSDC have created or retained 1,876 new economy jobs, and estimate that 3,273 jobs will be created or retained by 2005.

For more information please sign-on to the Office website: www.wct.doe.gov.

Department of Energy Awards \$300,000 to Savannah River Regional Diversification Initiative

On July 17, 2002, the Department of Energy (DOE) announced that it has awarded \$300,000 to the Savannah River Regional Diversification Initiative (SRRDI). This block grant will fund SRRDI's administrative expenses as it continues working with other economic development organizations to diversify the economic base within the region.

SRRDI was established in 1993 to mitigate the adverse effects of the downsizing of the DOE Savannah River Site on Barnwell, Aiken, and Allendale Counties in South Carolina and Richmond and Columbia Counties in Georgia. SRRDI's goal is the creation of a positive economic development environment in the two-state region through job creation, job retention, and entrepreneurial development in high-tech and manufacturing businesses.

DOE's Office of Worker and Community Transition (the Office) and SRRDI have created or retained 7,155 new economy jobs, and estimate that 12,833 jobs will be created or retained by 2005.

For more information please sign-on to the Office website: www.wct.doe.gov.

Department of Energy Awards \$300,000 to Albuquerque's Next Generation Economy Community Reuse Organization

On July 30, 2002, Department of Energy (DOE) announced that it has awarded \$300,000 to the Next Generation Economy (NextGen) Community Reuse Organization located in Albuquerque, New Mexico. This block grant will enable NextGen to continue to work for a strong, export-based private sector to include a microsystems fabrication facility and a web-based database for work force development in the Albuquerque area.

NextGen was established in 2000 to assist the Central New Mexico region with possible job losses resulting from downsizing of the Sandia National Laboratory. The organization's goal is to diversify the regional economy, increase the number of quality jobs in the region and the state, and reduce the region's economic dependence on the Federal Government.



DOE's Office of Worker and Community Transition (the Office) and NextGen have created or retained 594 new economy jobs, and estimate that 2,010 jobs will be created or retained by 2005.

For more information please sign-on to the Office website: www.wct.doe.gov.

Energy Department Awards \$1.4 Million Grant to the Community Reuse Organization of East Tennessee - Grant will Fund Multiple Initiatives to Aid Former Workers of the Oak Ridge Site

On August 22, 2002, the Department of Energy (DOE) announced that it has awarded \$1.4 million in the form of a competitive grant to the Community Reuse Organization of East Tennessee (CROET). CROET is the community reuse organization for DOE's Oak Ridge Site. The CROET's application is a re-submittal of the work force transition grant entitled East Tennessee 2002 (ET2002).

This \$1.4 million grant will be used for the following:

- reindustrialization and reuse in continuing to enhance and market the East Tennessee Technology Park and the ED-1 industrial park;
- provide advanced training for former workers of Oak Ridge at the Manufacturing Skills Campus;
- continue research at the National Transportation Research Center that focuses on solving the Nation's transportation problems; and
- develop regional economic diversification and work force development initiatives to allow communities to prioritize economic development efforts, recruit new industries, and create industrial parks.

The grant is expected to create 120 new jobs for displaced Oak Ridge workers and other community members over the next 2 to 3 years.

Department of Energy Awards \$1.1 Million to Paducah Area Community Reuse Organization - Funds Will be Used to Build a "World Class" Manufacturing Complex

On August 22, 2002, the Department of Energy (DOE) announced that it has awarded \$1.1 million in the form of competitive grants to the Paducah Area Community Reuse Organization (PACRO). PACRO is the community reuse organization for the DOE site in Paducah, Kentucky.



PACRO applied for one large cap and two small cap grants. The large cap grant of \$1 million will prepare a major industrial site in Western Kentucky for use as a "world class" integrated manufacturing complex. Specifically, the funds will be spent on engineering, infrastructure, and land planning. The first small cap grant of \$50,000 will support start up of CenterPointe USA, a regional economic development-marketing program for Western Kentucky-Southeast Illinois. The second small cap grant in the amount of \$30,000 will provide support to a work force outplacement, training, and re-employment assistance program. The goal of CenterPointe is the creation of 500 new jobs in the region over the next 5 years.

Department of Energy Awards \$600,000 to Tri-City Industrial Development Council Community Reuse Organization

On August 28, 2002, the Department of Energy (DOE) announced that it has awarded \$600,000 in the form of competitive grants to the Tri-City Industrial Development Council (TRIDEC). TRIDEC is the community reuse organization (CRO) for DOE's Hanford Site.

TRIDEC applied for three small cap grants. The first grant for \$200,000 will be used for the Tri-City Industrial Development Council Industrial Recruitment Program. This program is a continuation of the successful system currently in place and is a format for the management of communications with companies interested in expanding or relocating existing operations to the greater Tri-City area. The second grant in the amount of \$200,000 will be used for the Tri-City Industrial Development Council Business Incentive Fund. This program would allow the community to continue to offer incentives to firms moving to or expanding in the Tri-City area. The third small cap grant in the amount of \$200,000 is for the Historically Underutilized Business (HUB) Development Program. The purpose of the program is to identify some of the historical and contemporary trends in the HUB marketplace and attempt to mitigate them as they relate to the Tri-City area. HUBs are defined as businesses whose owners are African-American, Hispanics, Asians, and Pacific Islanders, American Indian, and Alaska Natives.

These grants are expected to create more than 400 new jobs for displaced Hanford workers and other community members.

Department of Energy Awards \$345,000 to the Eight Northern Indian Pueblos Council Community Reuse Organization - Grant Will be Used as Start-Up Funding to Facilitate Economic Development Planning in Northern New Mexico

On August 28, 2002, the Department of Energy (DOE) announced that it has awarded \$345,000 to the Eight Northern Indian Pueblos Council (ENIPC). The grant will enable ENIPC to begin to facilitate economic development planning and implementation activities in Northern New Mexico to produce alternative replacement employment sources in communities affected by DOE downsizing.



ENIPC was designated as a community reuse organization (CRO) by DOE in April 2000, and is the only Native American CRO in the United States.

In order to obtain funding, the ENIPC was required to develop a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis. Upon completion of the SWOT, a planning proposal was submitted that allowed the organization to do a strategic assessment to determine what projects would be proposed to DOE for funding. To date, DOE has made \$75,000 available to ENIPC for the SWOT analysis, as well as an additional \$35,000 to support its completion.

DOE will provide \$75,000 in start-up funding to enable ENIPC to hire an Executive Director and a secretary, rent office space, buy computers and secure telephones. While the SWOT has been completed, DOE has been working with the ENIPC to assist them in the planning process so they will be eligible for additional funding.

The start-up funding, along with the planning grant in the amount of \$270,000 should carry the ENIPC long enough to complete the planning process. Once the planning process has been completed, ENIPC will be eligible to apply for an operational grant and additional competitive grants made available to all CROs in fiscal year 2003.

Department of Energy Awards \$485,000 Grant to the Southern Ohio Diversification Initiative Community Reuse Organization

On August 28, 2002, the Department of Energy (DOE) announced that it has awarded \$485,000 in the form of three competitive grants to the Southern Ohio Diversification Initiative (SODI). SODI is the community reuse organization (CRO) for DOE's Portsmouth Site.

SODI applied for three small cap grants. The first grant for \$200,000 will fund two components of the Enterprise Training and Development Program -- small business training and technical assistance, and the establishment of a small business loan fund. The loan fund is targeted toward dislocated workers and community residents of the four-county area to have the opportunity to apply for business loans. The second grant in the amount of \$200,000 will be used for infrastructure improvements to the Gateway Industrial Park. The last grant in the amount of \$85,000 will be used for infrastructure improvements to expand Zahns Corner -- a 1,000 acre industrial park near Piketon, Ohio -- that should provide employment for 400 to 600 people over the next 5 years.



Department of Energy Awards \$65,000 Grant to Eastern Idaho Community Reuse Organization

On August 28, 2002, the Department of Energy (DOE) announced it has awarded \$650,000 in the form of three competitive grants to the Eastern Idaho Community Reuse Organization (EICRO). EICRO is the community reuse organization (CRO) for DOE's Idaho National Engineering and Environmental Laboratory (INEEL).

The EICRO applied for one large cap and two small cap competitive grants. The large cap grant in the amount of \$300,000 will be used to support the transfer and start up of a DOE-owned coal-fired steam generating plant, and establishment of an associated "clean energy" research and development facility. The two small cap grants include \$200,000 to recapitalize the Enterprise Fund, a flexible debt/equity financing program to assist small businesses in the creation of new jobs that would offset those lost at the INEEL, and \$150,000 to establish Technology Center East as part of a statewide initiative to assist technology firms.

These grants are expected to create more than 300 new jobs for displaced INEEL workers and other community members.

Department of Energy Awards \$200,000 Grant to the Savannah River Regional Diversification Initiative Community Reuse Organization

On August 28, 2002, the Department of Energy (DOE) announced it has awarded \$200,000 in the form of a competitive grant to the Savannah River Regional Diversification Initiative (SRRDI). SRRDI is the community reuse organization (CRO) for DOE's Savannah River Site.

The SRRDI applied for funding from DOE's Office of Worker and Community Transition in the form of a competitive grant.

SRRDI applied for one small cap grant in the amount of \$200,000. This competitive grant will be used to purchase, upgrade, and reuse a 100,000 square foot industrial building in Allendale County formerly owned by Shaw Industries. Known as Project Shaw, this project will create a minimum of 25 new jobs immediately and will add to the community's economic development inventory. This project dovetails with the Tri-County Alliance's economic development efforts in Allendale County. The Tri-County Alliance, the regional economic development organization representing Allendale, Barnwell, and Bamberg Counties in South Carolina, is constructing a 140-acre industrial park within ½ mile of the Shaw Building.



Department of Energy Awards \$400,000 to Eddy/Lea Regional Commission Community Reuse Organization

On August 28, 2002, the Department of Energy (DOE) announced that it has awarded \$400,000 in the form of two competitive grants to the Eddy/Lea Regional Commission. The Eddy/Lea Regional Commission is the community reuse organization (CRO) serving DOE's Waste Isolation Pilot Plant (WIPP) in Carlsbad, New Mexico.

The Eddy/Lea Regional Commission applied for one large cap and one small cap grant. The first grant in the amount of \$200,000, will be used to construct public infrastructure in support of the establishment of the National Cave and Karst Research Institute. The National Cave and Karst Research Institute will serve as the integrated, multi-disciplinary, multi-institutional science and technology center in the scientific investigation of cave and karst environments and systems. In 1999, Congress officially designated the Carlsbad area as the final site for the Institute. The second grant, also in the amount of \$200,000, will be used for the engineering and logistical study of a project to convert oil and gas waste water to "usable water" for area agriculture.

These grants are expected to create or retain up to 500 jobs.

Department of Energy Awards \$957,000 to Next Generation Economy Community Reuse Organization

On August 29, 2002, the Department of Energy (DOE) announced that it has awarded \$957,000 in the form of competitive grants to the Next Generation Community Reuse Organization (NextGen). NextGen is the community reuse organization (CRO) for DOE's site in Albuquerque, New, Mexico. NextGen applied for funding from DOE's Office of Worker and Community Transition in the form of competitive grants.

NextGen applied for one large cap and two small cap grants. The large cap grant of \$682,000 will be used to develop a microsystems Fabrication Facility. NextGen has been working with the Intel Corporation to receive a complete production line from Intel's local facility. The CRO could potentially receive equipment valued at \$20 million. The funds from this grant will be used to transport the Intel equipment to a secure storage site, and insure the equipment, and purchase warranties on each piece of equipment until a fabrication facility is established.

NextGen also applied for two small cap grants. The first is a small cap grant in the amount of \$200,000 that will be used for NextJob New Mexico -- a web-based application to better understand the work force issues in Central New Mexico. The ultimate goal is to stimulate the economy through information



about the region's work force, employers and education, and training institutions. The second small cap grant in the amount of \$75,000 will fund Style New Mexico – a design competition for New Mexico artisans to focus national attention on the depth, breadth, and quality of New Mexican art-orientated business.

These grants are expected to create 50 new jobs.

ASSET MANAGEMENT ACTIVITIES

The Asset Management Program, within the Office of Worker and Community Transition (the Office, is coordinating the overall Department of Energy (DOE) requirements for beryllium metal. DOE has tasked the Office of Science and Nuclear Energy to ascertain their anticipated beryllium metal requirements. These will be added to those beryllium metal requirements already established by the National Nuclear Security Administration (NNSA). As soon as the DOE/NNSA beryllium metal requirements are complied, discussions will be initiated with the Department of Defense (DOD) on the allocation of beryllium metal from the National Defense Stockpile (the Stockpile). Currently, 50 short tons of beryllium metal, valued at approximately \$42M, have been reserved by NNSA and approved by Congress. NNSA has proposed to DOD that an additional 127 short tons of beryllium metal be reserved for future use.

The Office is working closely with the Lawrence Livermore National Laboratory (LLNL) regarding platinum metal. The Office is providing LLNL with assistance in their annual reporting of the use of platinum metal on loan from the Stockpile.

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